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# The Israel Defense Forces After the War in Lebanon

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An Intelligence Assessment

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NESA 86-10019  
April 1986

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# **The Israel Defense Forces After the War in Lebanon**

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**An Intelligence Assessment**

This paper was prepared by [ ] Office  
of Near Eastern and South Asian Analysis, with a  
contribution from [ ] Office of Near  
Eastern and South Asian Analysis. It was coordinated  
with the Directorate of Operations. [ ]

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Comments and queries are welcome and may be  
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## The Israel Defense Forces After the War in Lebanon

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### Key Judgments

*Information available  
as of 11 February 1986  
was used in this report.*

Israel will continue to request extensive US assistance in its effort to maintain its military superiority over Arab opponents while it is in the midst of an economic austerity program. Although the Israelis realize that Washington is unlikely to increase substantially military aid to Israel, they will continue to press for higher aid levels and are likely to exaggerate their armed forces' plight. They also will continue to lobby for an increase in the portion of US aid that can be used to purchase domestic goods and will aggressively seek codevelopment and coproduction schemes with US defense firms. [ ]

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The Israeli military appears to have recovered from the morale and discipline problems it suffered as a result of the war in Lebanon. Public opinion polling data suggest that the morale and fighting spirit of today's draftees are little different from those of soldiers inducted before the war. The airstrike on the PLO headquarters in Tunis in October 1985 and the continuing operations in and over Lebanon show that Israel has not lost the will or ability to move boldly and decisively to defend its interests. [ ]

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Some unhappiness exists among military careerists mainly because of deteriorating pay and benefits, but these problems do not necessarily portend a significant reduction in the Israeli military's combat capabilities. Career officers continue to resign, but the Israelis appear to have adequate numbers of officer recruits to meet their needs. [ ]

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The Israeli military not only has had to heal its psychological wounds but also has had to cope with defense budget cutbacks dictated by the Peres government's fiscal austerity plan. The military's response has included a reduction in the size of its forces, a cut in reserve training, restrictions on the amount of ammunition fired in training, a depletion of ready stocks, deferral of some maintenance procedures, and acceptance of less ambitious equipment modernization plans. Despite these concessions to economic austerity, the essential components of Israeli military strength remain undiminished. [ ]

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The Israelis believe that they can safely reduce the size of their armed forces only if these forces are equipped with the best modern weapons. They are in the midst of a complex juggling act designed to preserve as many key hardware programs as possible without allowing order of battle, inventory, training, and readiness to deteriorate dangerously. [ ]

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April 1986

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The Israeli air force's fighter inventory has shrunk by 16 percent in the last two years, but many of the older aircraft that will be phased out in the next few years will be replaced by F-16C/Ds. The air force has reduced flying time for reserve pilots to save money, a strategy that risks a significant degradation of the flying skills of its pilots. In another economy measure, the air force delayed noncritical maintenance in 1985. So far, no flight-related accidents have been noted, but the delay in scheduled maintenance may simply have deferred inevitable costs until this year. Even with these savings, the air force's principal procurement program of the 1990s—the Lavi fighter aircraft—may be delayed a year or two to free funds for other programs. [ ]

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The Israeli army has trimmed the size of its forces and selectively reduced training to ensure the continued purchase of important weapons—especially improved versions of the Merkava tank. [ ]

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The Israeli navy stands to lose heavily in the interservice competition to preserve procurement and research and development programs. [ ]

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The Israelis recognize that ensuring the availability of high-quality weapons will not be enough in itself, however, because many Arab states, especially Syria, are expanding and modernizing their forces. Consequently, the Israelis are striving to maintain their traditional superiority in quality of manpower, tactics, doctrine, leadership, and battle management. Over the long term, their decisive edge over the Arabs in qualitative factors may be increasingly difficult to sustain if Israel cannot find the funds to attract and retain career soldiers, sailors, and airmen and increase combat training for reservists. [ ]

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Israel probably will adjust its military strategy to compensate for the armed forces' diminished ability to absorb combat losses [ ]

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[ ] The Israelis may be more inclined to

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demonstrate their resolve to defend themselves by confronting their enemies militarily. This motivation is being tested by the tensions with Syria over its deployment of air defense missiles in Lebanon's Bekaa Valley and along the Syrian-Lebanese border.

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On the other hand, most Israeli leaders have taken the lessons of Lebanon to heart and will hesitate to become involved in a full-scale war unless Israel is facing an immediate, serious threat. Polling data show that most Israelis believe the war in Lebanon was a tragic mistake. This suggests that for at least the next few years they will not support another campaign designed to achieve limited political objectives.

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**Contents**

	<i>Page</i>
Key Judgments	iii
Legacy of the War in Lebanon	1
Morale and Discipline Problems	1
Long-Term Effects	1
Restoration of Fighting Spirit	2
Budgetary Problems	2
Sharon's Five-Year Plan	3
Living With Fiscal Austerity	4
IDF Plans	4
Impact on the IDF	5
Air Force	5
Army	7
Navy	9
Future Defense Strategy and Capabilities	10
Implications for the United States	11

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## The Israel Defense Forces After the War in Lebanon

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### Legacy of the War in Lebanon

In June 1985, Israel withdrew most of its troops from central and southern Lebanon, ending a troubled three-year occupation by the Israel Defense Forces (IDF). The IDF's combat performance during this conflict was competent but generally lackluster, save for the air force's drubbing of the Syrians over the Al Bika' (Bekaa Valley) in June 1982.

Most observers concede that the IDF has taken steps to remedy many of the operational deficiencies revealed during the war in Lebanon. The IDF studied its performance and is trying to correct problems in command and control, joint operations, and combined arms warfare. The IDF has also returned to a more normal training regimen and resumed force modernization initiatives that were to some degree neglected because of the war.

### Morale and Discipline Problems

The war in Lebanon gave rise to morale and discipline problems in the IDF. For the first time in its history, Israel's citizen force, which is built around a small core of regulars in the army, air force, and navy, had been directed by the civilian leadership to embark on a war primarily to achieve limited political objectives—to drive the PLO out of Lebanon and to install a Lebanese government friendly to Israel. In the past, the IDF went to war to defend the state from imminent destruction.

Soon after the invasion began in June 1982, it inspired an impassioned public debate that quickly spread to the armed forces. IDF commanders became increasingly vocal in their criticism of the conduct and objectives of the war. As the war continued, desertions—usually low in Israeli forces—increased, and for the first time in its history the IDF was faced with a significant number of reservists (about 200) who refused to serve. In some cases, contingents of reserve officers demonstrated against the war. In at least one instance, according to press reports, Defense Minister

Sharon decided not to send a brigade into combat but instead called in another unit because he feared the brigade's officers would refuse to carry out his orders.

### Long-Term Effects

Critics, including widely respected Israeli journalists familiar with Israel's military affairs, claim that, although the withdrawal of most troops from Lebanon may have eased these problems, the war inflicted long-term psychological damage that persists and significantly reduces the IDF's ability to defend Israel. As proof, these observers point mainly to continuing resignations by career army officers, a persistent belief among IDF career noncommissioned officers that the public no longer respects or appreciates the military, and a decrease in the number of draftees interested in pursuing an army career.

Although these trends are disturbing to Ministry of Defense officials, we believe they are not exclusively a legacy of the war in Lebanon, nor do they necessarily portend a significant reduction in the IDF's combat capabilities. These problems probably stem mainly from the fact that other career paths are becoming more attractive than a military career, especially for draftees from the upper social and economic classes. Even with continuing resignations of career officers, the IDF appears to have adequate numbers of officer recruits to meet its needs.

Ashkenazim—Jews of Central and East European origin—have traditionally made up the bulk of the army's career officer corps as well as Israel's political leadership. Today, however, fewer Ashkenazim choose careers in the army, although they willingly perform their conscription service. Increasingly it is Sephardim, Jews of Near Eastern origin generally of lower social and economic standing than Ashkenazim, who are choosing to make the military a career.

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There appears to be no immediate danger of reduced IDF combat effectiveness as the social base of the Israeli military changes, but the long-term impact is less clear. The rise of Sephardi Jews is taking place more slowly in national political institutions than it is among military careerists, and this could lead to increasing strains in Israel's traditional civil-military consensus. Because Sephardi Jews tend to be more hawkish than Ashkenazi Jews on Arab issues, the IDF might eventually move to the right of the Labor-associated Ashkenazi establishment on key security questions. [ ]

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A perception among career noncommissioned officers, as expressed in press interviews, that they are not fully appreciated by the Israeli public may be due primarily to the IDF's waning budgetary fortunes. When asked by journalists to explain why they feel unappreciated, many noncommissioned officers answer that they have been stung by reductions in funds for housing, food, and overseas training—all mandated as cost-cutting measures. They seldom cite the Lebanon war as the source of their discontent. The noncommissioned officers' complaints reflect disappointment with more austere living and working conditions, but there is no indication that the current level of unhappiness significantly lowers the IDF's combat effectiveness. [ ]

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Although there are fewer draftees choosing to pursue IDF careers, there is no shortage of volunteers for elite fighting units or for pilot training. Commanders claim in press interviews that the recruits entering the army as careerists are superior in many respects to those entering before 1982. [ ]

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As the armed forces use increasingly complex weapons and support equipment, they will need larger numbers of technically proficient personnel to operate and maintain them. We believe that this will prove to be a manageable problem. A high percentage of the IDF's conscripts—including Sephardim—have completed their high school education, and the number of 18-year-olds available for service is rising. The Sephardim, who constitute an increasing percentage of recruits, probably will be able to master these skills. The IDF has created special programs to teach

technical subjects to career and reserve personnel who lack college degrees and professes to be pleased with the initial results. [ ]

#### **Restoration of Fighting Spirit**

Critics who contend that the war in Lebanon crippled the IDF's morale and will to fight appear to ignore other evidence of the military's rapid recovery from the ill effects of the war. The airstrike on the PLO headquarters in Tunis in October 1985 and the continuing operations in and over Lebanon show that Israel has not lost the will or ability to move boldly and decisively to defend itself. [ ]

Public opinion polling data also suggest that the morale and fighting spirit of today's military are little different from that of the military in 1981. The proportion of draftees who say they would accept combat assignments is virtually the same as before the war. This reflects the widespread Israeli perception that Israel must be prepared to defend itself vigorously from its Arab enemies or risk annihilation. [ ]

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Moreover, polling data show that the public, whose confidence in the armed forces dropped sharply during the fighting in Lebanon, holds the IDF in higher regard than it does virtually any other major Israeli institution. A recent survey indicated that Israelis give the IDF higher marks than they give the government, the press, the intelligence establishment, the Knesset, and opposition parties. [ ]

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#### **Budgetary Problems**

Although the IDF appears to have made substantial progress in healing its psychological wounds, it faces budgetary difficulties that could complicate the military's efforts to maintain Israel's qualitative superiority over Arab forces. These difficulties resulted in part from disruptions in funding caused by the war and in part from the high inflation that has plagued the Israeli economy in recent years. [ ]

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Israel's defense expenditures began absorbing a larger portion of the gross national product following the 1967 Arab-Israeli war. Defense spending peaked in the mid-1970s, when it comprised more than 30 percent of GNP. Since 1980, defense spending has by most estimates amounted to 20 to 25 percent of GNP annually—far greater than the 4 to 5 percent of GNP typical of Western industrial nations. [ ]

The Israelis believe that the threat they face from the Arabs has necessitated such heavy expenditures. The 1979 peace treaty with Egypt did little to reduce the burden, primarily because the Syrians soon afterward committed themselves to achieving military parity with Israel. Iraqi forces also have expanded greatly during Iraq's war with Iran, and Israel fears that many of these troops could be made available for operations against Israel once the Iran-Iraq war ends. Moreover, the Israelis claim that military modernization programs in Saudi Arabia and Jordan make these countries more formidable adversaries than they were a few years ago. [ ]

According to US Embassy reporting, Israel concedes that Syria probably cannot achieve military parity in the near future and admits that, if the Iran-Iraq war ended soon, Baghdad would probably reduce its forces quickly. Nevertheless, for planning purposes, the Israelis try to prepare themselves to face several enemies acting in close concert, even though they realize that this is unlikely. [ ]

[ ] IDF planners have concluded that Israel must concentrate on countering the expansion and modernization of Arab forces by improving the quality of its equipment and personnel. Israel cannot expand its military forces further. The country's 3.5 million Jewish citizens—only 700,000 of whom are considered fit for military service—could not provide the manpower for a larger establishment even if the funds were available. [ ]

#### Sharon's Five-Year Plan

In 1981, Defense Minister Ariel Sharon convinced the government to fix the annual domestic defense budget at the equivalent of \$3.2 billion for the Israeli fiscal

years 1981-85. (The Israeli fiscal year, IFY, runs from 1 April through 31 March.)<sup>1</sup> Sharon argued this "five-year plan" would facilitate long-range development and procurement of the weapons and equipment Israel needs to deter its enemies. [ ]

Sharon's modernization plans soon went awry, however, as the war in Lebanon absorbed funds and the Israeli economy began to falter. Government economic advisers insisted that Israel had to reduce its spending to reduce inflation. Cabinet ministers agreed but insisted that the Ministry of Defense not be exempted from budget cutbacks. Consequently, the IDF was obliged to cut its domestic defense budget by \$48 million in IFY 1983, \$485 million in IFY 1984, and \$661 million in IFY 1985—a total of \$1.2 billion. [ ]

The United States could not fully offset these reductions through boosts in military assistance, but Washington forgave some of Israel's debts on arms purchases and in US FY 1985 converted all US military assistance to Israel to grant aid. Formerly, only 40 to 50 percent of Washington's assistance was offered as a grant, while the remainder was offered as a credit. Nevertheless, IDF planners, who in 1981 believed they would have total annual defense budgets of well over \$4 billion within which they could pursue their ambitious modernization plans, have had to make do with less. [ ]

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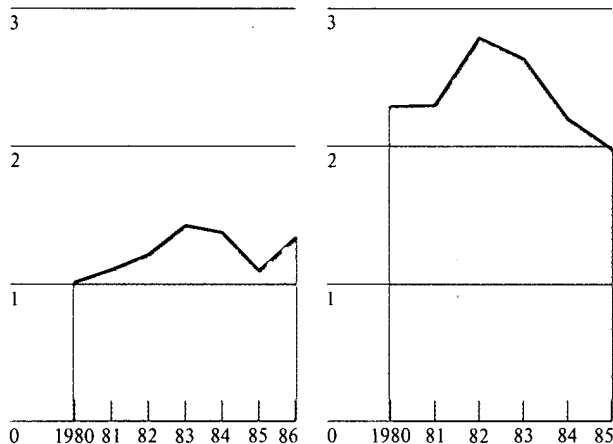
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**Figure 1**  
**US Military Aid to Israel and Israeli**  
**Domestic Defense Spending**  
**Since 1980<sup>a</sup>**

Billion US \$ (1980 Dollars)

Real US Military Aid to  
Israel<sup>b</sup>

Real Israeli Domestic  
Defense Spending<sup>c</sup>



--- Estimated

<sup>a</sup> US fiscal year runs from 1 Oct. through 30 Sept. Israeli fiscal year runs from 1 Apr. through 31 March.

<sup>b</sup> Does not include Sinai Relocation Fund payments.

<sup>c</sup> Does not include special appropriations for the war in Lebanon.

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### Living With Fiscal Austerity

According to US Embassy reporting, as recently as a year ago Ministry of Defense officials assumed that the defense budget would be gradually increased in 1986 and would return to former levels by 1987 or 1988. Consequently, the Ministry decided to implement the mandated cuts by delaying and reducing expenditures for reserve training, maintenance, personnel, and construction for IFY 1985. This strategy shielded regular IDF units from disruption and preserved major procurement and research and development programs. IDF officials hoped that these reductions would not damage combat capabilities and that any ill effects could be quickly remedied once more funds became available.

To trim costs, the IDF reduced the frequency of training in reserve combat units, restricted the amount of ammunition fired, let ready stocks run down, and halved overseas training. Maintenance schedules for many weapon systems were revised to restrict servicing to absolutely necessary procedures. New military construction projects were shelved. To reduce personnel costs, the IDF consolidated headquarters where possible, trimmed staffs, economized on food budgets, allowed military salaries to lag private-sector pay, and retired many older personnel early. Some combat units were temporarily deactivated and their equipment placed in storage. In a few instances, the IDF decided to sell deactivated equipment, such as older tanks, to gain extra funds.

During 1985, however, it became obvious that Israel would have to continue with its fiscal austerity measures for at least two more years. Although Defense Minister Rabin's vigorous lobbying to protect the military from further substantial cuts mostly succeeded, the prospects for the restoration of larger defense budgets are dim.<sup>2</sup> During the next few fiscal years the domestic defense budget probably will be held at roughly the same level as this year—about \$2.6 billion. A significant increase in US aid is unlikely, and Washington's efforts to reduce the US budget deficit may lead to a modest reduction in US assistance for Israel. Meanwhile, the cost of key weapons and equipment on the IDF's shopping list continues to grow.

### IDF Plans

The IDF is in the midst of a complex juggling act designed to preserve as many key hardware programs as possible without allowing order of battle, inventory, training, and readiness to deteriorate dangerously. Once it became clear that the IDF would have to tighten its belt at least until 1988, planners began formulating a comprehensive strategy for minimizing the impact of budget reductions. In meetings with US

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Embassy officials, Israeli planners say they now assume that there will be no real increases in domestic defense spending for the next five years and that US aid levels will not increase during this period. They recognize that they cannot continue to shield research and development and procurement at the expense of training and maintenance. To do so would result in reductions in readiness and combat effectiveness.

Consequently, according to US Embassy reporting, the Ministry of Defense is trimming some research and development and contemplating modifications, reductions, and postponements of selected procurement programs. It is also continuing with its regimen of personnel and construction economies. Although it is striving to curb unnecessary training and maintenance, it will soon increase training for pilots and tank crews.

To compensate for reductions in research and development, the Israelis are trying to convince US defense industries to undertake joint ventures with Israeli firms, hoping that the US companies will underwrite some research and development costs. To date, these efforts have yielded few results. Tel Aviv also is trying to persuade Washington to continue devoting a portion of US military assistance to procurement in Israel. Moreover, Tel Aviv recently persuaded the United States to permit the Israelis greater latitude in spending \$300 million in offshore procurement funds earmarked for the Lavi fighter aircraft. For the time being, Rabin claims that \$250 million of this money will be spent only on the Lavi. The Cabinet decided in February to divert the remaining \$50 million to other defense programs.

Although some politically insignificant, radical leftist fringe groups believe that their country's defense spending should be drastically curtailed in the interests of economic health, most political leaders agree that Israel must maintain a highly capable military. Consequently, it is unlikely that the armed forces will be forced to accept cutbacks that would result in a substantial decrease in combat effectiveness. Nevertheless, the IDF probably will have to accept some

reductions in order of battle and weapons inventory and in some cases settle for the procurement of less capable weapons than the services want.

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### Impact on the IDF

#### Air Force

The air force absorbs a larger portion of the defense budget than the other services because of its inventory of expensive aircraft and other advanced weaponry. Consequently, the air force has been obliged to accept a larger portion of the budget cuts, despite its role as Israel's first line of defense.

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The air force chief of staff has claimed in meetings with US Embassy officials that his service can afford to operate only 480 fighter aircraft in 1986 because of budget cuts—a drop of 35 aircraft from last year.

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the air force inventory included about 570 fighter aircraft in 1984, indicating that budget cuts have forced a reduction of 16 percent in the fighter inventory during the last two years. The search for savings has also affected the air force's transport fleet. The US defense attache recently reported that the Israelis have deactivated five C-130Es as an austerity measure and are offering them for sale.

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The commander of the air force said last year that his service can perform its assigned missions with a fighter inventory of 500 aircraft if all of the planes are high quality. The aircraft being retired are older A-4s and Kfirs. Additional A-4s and Kfirs will be phased out in the next few years as the Israelis receive F-16C/Ds—far more capable aircraft than those they replace. Moreover, the air force will need fewer fixed-wing aircraft to perform close air support missions for the army if the air force purchases additional attack helicopters for close air support. New equipment such as the attack drone that Israel hopes to field also would make it easier for the air force to get along with fewer fighters.

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Nevertheless, the smaller inventory makes the Israelis less capable of absorbing combat losses and makes it imperative for pilots and maintenance crews to operate each plane to its maximum capacity. High levels of operational performance in battle depend heavily on training and maintenance practices during peacetime—two areas that have been adversely affected by the current budget cuts. The air force chief of staff claims that as a cost-cutting measure his service decided to use fewer spare parts in 1985 by delaying noncritical maintenance. The immediate result is that parts usage has been cut in half. So far, no flight-related accidents have been noted, but the delay in scheduled maintenance may simply have deferred inevitable costs until 1986. [redacted]

The chief of staff also said that to reduce fuel costs pilots are flying one-third fewer hours than the air force considers necessary to maintain full proficiency. The US defense attache believes that these are aggregate figures that mask a clever short-term strategy to cope with budget cuts. He assesses that frontline F-15 and F-16 pilots probably are flying at least 150 hours a year—the air force's minimum level for maintaining full proficiency—while reserve pilots who fly older aircraft, which make up about 80 percent of the air force inventory, are being grounded or are flying well below the minimum level. [redacted]

By pursuing this strategy, the air force risks a significant degradation of the flying skills of its pool of pilots.<sup>3</sup> Pilots are making more use than ever of flight simulators to supplement training flights, but veteran fliers believe that there is no substitute for flight time. [redacted]

The air force also has begun to adjust its research and development and procurement to preserve its high-priority projects, especially the Lavi fighter, by shaving its less important programs. [redacted]

[redacted]

[redacted]

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Air force plans for the modernization of 75 to 100 F4-Es—designed to extend the F-4s' service life until 2005—will not include reengining, in part because of budgetary problems. Replacement of the F-4s' venerable J-79 engines with new Pratt and Whitney PW 1120s would substantially improve the F-4s' performance but would drive up modernization costs sharply. [redacted]

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[redacted]

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The success of the air force's strategy for dealing with budget cutbacks is heavily dependent on the fortunes of the Lavi fighter program, which the government still is sponsoring in an effort to develop Israeli defense industries, to provide employment for highly trained engineers and scientists, and eventually to increase export earnings. To date, the United States has provided the funds for the development of this multirole aircraft, but, as the Lavi's research and development costs have risen, other services have become highly critical of the program, arguing that the Lavi is soaking up scarce resources that would be

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*Figure 2. The Lavi fighter aircraft tops the Israeli air force's acquisition list, but growing costs may lead to procurement delays. If costs continue to skyrocket, the army and navy may try to prevent the Lavi from infringing on their procurement funds by demanding that the fighter be canceled in favor of advanced models of the F-16.* [REDACTED]

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better spent on army or navy weapons. Maj. Gen. Dan Shomron, deputy chief of the general staff, recently attacked the Lavi publicly, saying that its continuation would seriously endanger the Merkava tank program—the army's top-priority weapon. Even the air force, which has never been particularly enthusiastic about the Lavi, believes that the procurement of advanced F-16s or F-18s would be more cost effective. [REDACTED]

The Israeli press reported in February that the IDF chief of staff favored delaying procurement of the Lavi a year or two and diverting \$50-80 million to other programs. This would allow Lavi research and development to continue as scheduled. Nevertheless, setting back Lavi procurement would mean that the air force will have to retain older aircraft in its inventory longer than it would like. [REDACTED]

#### Army

Like the air force, the army decided it was critically important to protect key weapons procurement programs from reduction or elimination and was willing to trim the size of its forces and reduce training to accomplish this goal. Although it kept its force level at 13 armored divisions, the army consolidated some headquarters, forced about 10 percent of its career colonels to retire early, cut its civilian work force by 10 percent, and reduced the amount of active service by reservists. During IFY 1984, the average reservist served 50 days on active duty. In IFY 1985, this figure was reduced to 37 days for enlisted men and 42 days for officers. The army also removed 24 percent of its tanks, 9 percent of its artillery pieces, and 16 percent of its armored personnel carriers from the active inventory and placed them in storage. [REDACTED]

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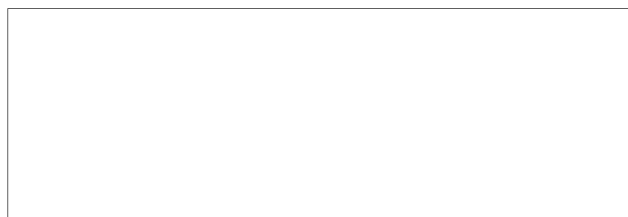
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*Figure 3. The Israeli army has reduced the size of the ground forces and cut reserve training to protect key weapons procurement programs like the Merkava Mark II tank from budget cuts. The army's top research and development objective is the Merkava Mark III, which will be armed with a 120-mm main gun, have fully stabilized fire-control optics, possess better turret armor, and be powered by a 1,200- to 1,500-horsepower diesel.*

IDF spokesmen say the army reduced its training for tank crewmen in IFY 1985, but army leaders probably maintained training for tankers in active units at normal levels. Engine operation hours were reduced by 15 percent, and crewmen fired fewer rounds, although the use of firing simulators may have lessened the impact of this reduction. Engine operating hours for self-propelled howitzers were reduced by 17 percent. Decreasing engine operating hours also resulted in a reduction in associated expenditures for maintenance and spare parts. Moreover, the army appeared to be saving money by training in a more efficient manner. It began conducting extensive reserve field training as part of large combined exercises designed principally to test newly developed tactics and command and control arrangements.



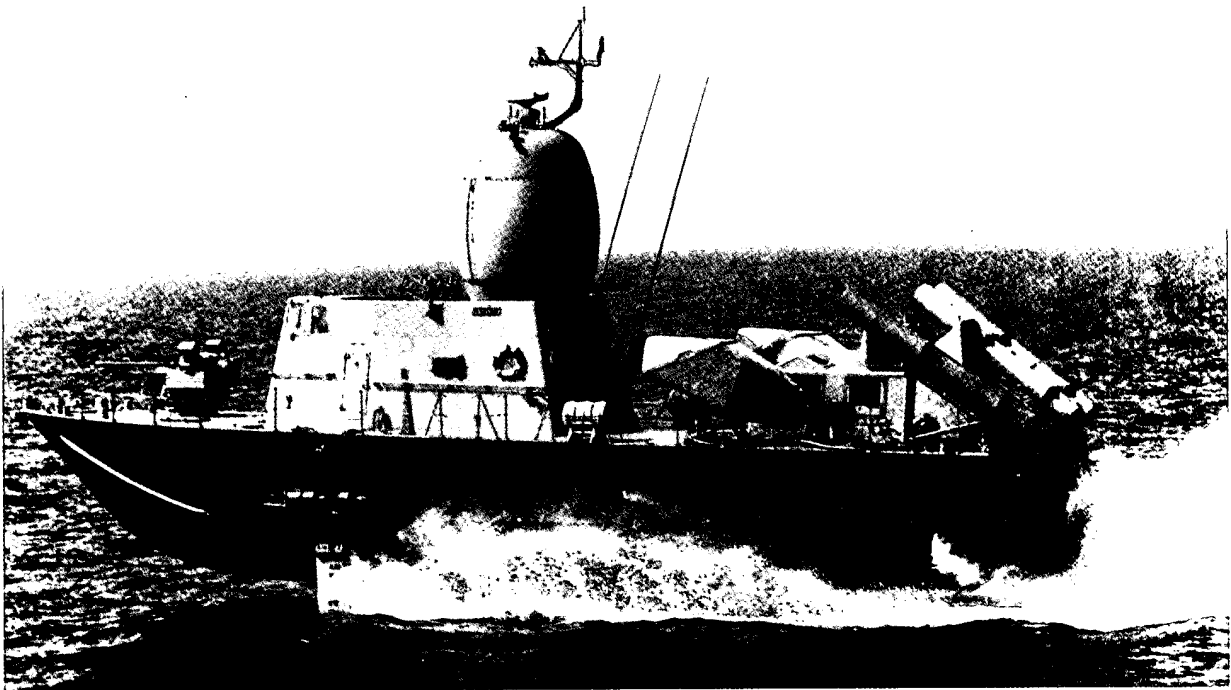
Just as the air force has done, the army is attempting to protect its highest priority procurement and research and development programs by delaying or eliminating lower priority purchases and by soliciting US interest in codevelopment schemes. Procurement of Merkava Mark II tanks—currently the ground forces' top-priority equipment purchase—is proceeding on schedule. Meanwhile, the army is delaying

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*Figure 4. The Israeli navy recently acquired two hydrofoil missile patrol craft but cannot afford to procure quickly the 10 additional hydrofoils it wants. The navy may consent to a smaller purchase in return for accepting reductions and delays in its 1,000-ton corvette program.*

procurement of self-propelled howitzers needed to expand the artillery battalions of its armored divisions to 18 guns.

Development of the Merkava Mark III—which will be armed with a 120-mm main gun and feature improved armor—is the army's highest priority research and development program and appears to be progressing smoothly.



#### Navy

The Israeli navy has always been the stepchild of the IDF and stands to lose heavily in the interservice competition to preserve procurement and research and development programs amidst defense cutbacks.

When Sharon unveiled his five-year plan, the Israelis hoped to expand and modernize their navy to enable it to operate more widely and for extended periods in the central Mediterranean and Red Seas. Fiscal austerity has forced them to scrap these plans and concentrate instead on retaining the navy's ability to defend Israel's coastal waters, to protect sea lines of communication, and to support air and ground combat operations.

The navy's major casualties in the battle over budget cuts appear to be the Saar V missile corvettes and new diesel submarines, both of which programs probably will be delayed, and two new amphibious landing craft, which apparently have been canceled. Israel originally had hoped to have six or seven of the new corvettes in the inventory by 1990. Navy officials now conclude that the first Saar V could be available in 1991 at the earliest, if the program is not further delayed. The navy appears ready to concede that it

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can procure only four corvettes by 1993, instead of the eight to 12 it wants. The earliest delivery date for one of the three new submarines would be 1991. [redacted]

[redacted]

[redacted] naval planners are reconciled to the reduction and delay of the corvette program and that they will accept a halving of the hydrofoil program. Although it may despair of the timely acquisition of all the corvettes it wants to make it a "blue water" force, the navy is unlikely to give up its plans entirely and may wait for more prosperous times to press its case. [redacted]

Although the navy appears to have accepted a delay and reduction of the Saar V program, it is likely to continue to press for the procurement of the submarines on schedule. Purchase of the diesel submarines still seems to have wide support within the defense community because of these vessels' operational reliability, endurance, and mobility. [redacted]

The navy is also trimming its training, operations, and maintenance in response to budget reductions. This strategy yields short-term benefits: reduction of expenditures for fuel and parts, and preservation of vessels that may have to be kept in the inventory for several years longer than planned. These cuts, however, almost certainly are reducing crew proficiency. [redacted]

[redacted]

#### Future Defense Strategy and Capabilities

Despite lingering morale and discipline problems caused by the war in Lebanon, and despite cutbacks in force size, training, and maintenance, the IDF will continue to be able to defeat any combination of Arabs for the foreseeable future. The Israelis are

keenly aware of Arab military capabilities and intentions and are convinced that the IDF can absorb these economies without seriously jeopardizing national security. [redacted]

[redacted] Furthermore, they assess that during this period Egypt will maintain normal relations with Israel, while Iraqi forces probably will be tied down fighting Iran. Even in the unlikely event that Jordan succeeds in its quest for US arms, it would be several years before F-16s or F-20s—the weapons of most concern to Israel—could enter the Jordanian inventory. [redacted]

IDF leaders have accepted the fact that for the next several years they must make do with smaller defense budgets and are streamlining their forces accordingly. The key to ensuring that these smaller forces can adequately protect Israel, in their view, lies in equipping these forces with highly capable weapons. [redacted]

They recognize that this will not be enough, however, because many Arab forces, particularly Syria's, are continuing to expand and modernize. Consequently, the Israelis will have to maintain their traditional superiority in quality of manpower, tactics, doctrine, leadership, and battle management. This will place a heavy burden on the IDF's core of career officers and noncommissioned officers—precisely the groups that may become disaffected after several years of reduced salaries, deteriorating working conditions, and fewer opportunities for professional development and advancement. In our view, the IDF may have more difficulty in attracting and retaining adequate numbers of careerists unless it can find more money for personnel compensation. [redacted]

The regulars cannot carry the full burden of Israel's defense, and the armed forces will continue to rely heavily on reservists. Military leaders, therefore, must ensure that reservists are given enough training to keep their skills honed [redacted]

Israel probably will also adjust its military strategy to compensate for the IDF's diminished ability to absorb combat losses. Israel's current resource constraints

25X1  
25X1  
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25X1

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*Figure 5. One of Israel's major challenges will be to reduce defense spending without seriously impairing the skills of the IDF reservists.*

probably will reinforce the view of Israeli leaders that in a full-scale war Israel cannot afford to absorb the first blow, as occurred in 1973.

Moreover, to demonstrate that their resolve to defend themselves is undiminished despite the withdrawal of most troops from Lebanon and defense budget cuts, the Israelis may be more inclined to confront their enemies militarily. This motivation may have played a major role in recent Israeli displays of force, such as last October's airstrike on the PLO headquarters in Tunis and last November's downing of two Syrian

MIG-23s. Israel is also being tested by tensions with Syria over Damascus's deployment of air defense missiles in Lebanon's Bekaa Valley and along the Syrian-Lebanese border.

Israeli leaders probably have taken the lessons of Lebanon to heart, however, and will hesitate to commit the IDF to a full-fledged war unless the country is facing an immediate, serious threat. Specifically, they would be reluctant to enter Lebanon again in force—with the attendant risk of another prolonged occupation—unless there is no other way to protect the northern settlements from guerrilla attack. Polling data show that most Israelis consider the war in Lebanon to have been a failure and believe Israel should never have invaded its troubled northern neighbor. This suggests that several years must pass before Israeli citizens would support another campaign designed to achieve limited political objectives.

#### Implications for the United States

Although the Israelis realize that Washington is unlikely to increase substantially military aid to Israel, they will continue to press for higher aid levels and are likely to exaggerate the IDF's plight. They will also continue to lobby for an increase in the portion of US aid that can be used to purchase domestic goods and will aggressively seek codevelopment and coproduction schemes with US defense firms. Moreover, Israel will continue its efforts to convince the US military to procure weapons and equipment of Israeli design and manufacture.

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